

**Montana Board of Oil and Gas Conservation  
Environmental Assessment**

**Operator:** Whiting Oil and Gas Corporation  
**Well Name/Number:** Mahlen Federal 21-5-1H  
**Location:** Lot 3, NE NW Section 5 T25N R57E  
**County:** Richland, **MT;** **Field (or Wildcat)** W/C (Bakken Horizontal)

**Air Quality**

(possible concerns)

Long drilling time: No, 30 to 40 days drilling time.

Unusually deep drilling (high horsepower rig): No, triple derrick drilling rig to drill a single lateral Bakken Formation well test to 20,153'MD/10,309'TVD.

Possible H2S gas production: H2S gas production possibility is slight (Mississippian Formations).

In/near Class I air quality area: No Class I air quality area in the area of review.

Air quality permit for flaring/venting (if productive): Yes, DEQ air quality permit required under rule 75-2-211.

Mitigation:

- ☒ Air quality permit (AQB review)
- ☐ Gas plants/pipelines available for sour gas
- ☐ Special equipment/procedures requirements
- ☐ Other: \_\_\_\_\_

Comments: No special concerns – using triple derrick drilling rig to drill a single lateral Bakken Formation well test to 20,153'MD/10,309'TVD. If existing pipeline for gas in the area, gas can be gathered or if no gathering system nearby, gas can be flared under Board Rule 36.22.1220.

**Water Quality**

(possible concerns)

Salt/oil based mud: Yes, oil based invert drilling fluids will be used on the mainhole. The horizontal lateral will be drilled with brine water. The surface hole will be drilled with freshwater and freshwater drilling fluids.

High water table: No, no high water table anticipated in the area of review.

Surface drainage leads to live water: No live water nearby, closest drainage is the south Fork Cherry Creek, an ephemeral tributary drainage to the East Fork Hardscrabble Creek, about 1/8 of a mile to the east from this location. Within South Fork Cherry Creek is a stock pond, about 1.5 miles to the northwest from this location.

Water well contamination: None, closest water wells are about 3/8 of a mile to the northwest, about 5/8 of a mile to the east and about 3/4 of a mile to the northwest from this location. All other water wells are 1 mile and further from this location in any direction. Depth of these domestic/stock water wells range from 62' to 310'. Surface casing hole will be drilled with freshwater and freshwater drilling fluids. Surface casing will be run and cemented to surface from 2000'.

Porous/permeable soils: No, sandy clay soils.

Class I stream drainage: No class I stream drainages in this area.

Mitigation:

- ☒ Lined reserve pit
- ☒ Adequate surface casing
- ☐ Berms/dykes, re-routed drainage

- ☒ Closed mud system  
☒ Off-site disposal of solids/liquids (in approved facility)  
 \_\_\_ Other: \_\_\_\_\_

Comments: 2000' of surface casing cemented to surface adequate to protect freshwater zones and to cover the base of the Fox Hills Formation.

### Soils/Vegetation/Land Use

(possible concerns)

Stream crossings: No, stream crossings anticipated.

High erosion potential: No high erosion potential. This location will require a moderate cut, up to 12.9' and moderate fill, up to 12.4', required.

Loss of soil productivity: None, location to be restored after drilling well, if well is nonproductive. If productive unused portion of drillsite will be reclaimed.

Unusually large wellsite: Yes, very large wellsite 425'X510'. This location size is required to accommodate 4 horizontal wells: Mahlen Federal 21-5-1H, Mahlen Federal 21-5-2H, Mahlen Federal 21-5-3H and Mahlen Federal 21-5-4H.

Damage to improvements: No surface use is a cultivated land.

Conflict with existing land use/values: Slight

Mitigation

- \_\_\_ Avoid improvements (topographic tolerance)  
 \_\_\_ Exception location requested  
☒ Stockpile topsoil  
 \_\_\_ Stream Crossing Permit (other agency review)  
☒ Reclaim unused part of wellsite if productive  
 \_\_\_ Special construction methods to enhance reclamation  
☒ Other Vegetate cut and fill slopes as soon as possible to minimize slope

erosion.

Comments: Access to location will be over existing county road, #143. An access of 2 miles will be built off county road #143 into this location. Oil based invert drilling fluids will be recycled. Completion fluids will be hauled to a Class II Disposal. Drilling cuttings and mud solids will be fly ashed in the lined cuttings pit and will have a minimum of 4' of soil cover over the top of the solidified cuttings. No special concerns.

### Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences: Nearest residences are about ¾ of a mile to the northwest, about 1.25 miles to the southeast and about 1.25 miles to the northwest from this location. The town of Culbertson, Montana is about 14.8 miles to the northwest and the town of Sidney, Montana is about 19.7 miles to the southeast from this location.

Possibility of H2S: H2S potential is slight (Mississippian Formations).

Size of rig/length of drilling time: Triple drilling rig/short 30 to 40 days drilling time.

Mitigation:

- ☒ Proper BOP equipment  
 \_\_\_ Topographic sound barriers  
 \_\_\_ H2S contingency and/or evacuation plan  
 \_\_\_ Special equipment/procedures requirements  
 \_\_\_ Other: \_\_\_\_\_

Comments: Adequate surface casing and operational BOP should mitigate any problems. (BOP's 5,000 psig annular, pipe and blind rams) rule 36.22.1014.  
No concerns.

### Wildlife/recreation

(possible concerns)

Proximity to sensitive wildlife areas (DFWP identified): None in the area of review.

Proximity to recreation sites: None in the area of review.

Creation of new access to wildlife habitat: No, surface use is cultivated land.

Conflict with game range/refuge management: No

Threatened or endangered Species: Species identified as threatened or endangered are the Pallid Sturgeon, Interior Least Tern, Whooping Crane and Piping Plover.

Candidate species are the Greater Sage Grouse and the Sprague's Pipit. MTFWP

Natural Heritage Tracker website lists one (1) species of concern: the Whooping Crane.

Mitigation:

   Avoidance (topographic tolerance/exception)

☒ Other agency review (DFWP, federal agencies, **DNRC Trust Lands**) **BLM**

   Screening/fencing of pits, drillsite

   Other: \_\_\_\_\_

Comments: The surface ownership is private grazing land. There may be species of concern that maybe impacted by this wellsite. We ask the operator to consult with the surface owner as to what he would like done, if a species of concern is discovered at this location. The Board of Oil & Gas has no jurisdiction over private surface lands. Federal minerals will be intersected by the horizontal lateral. BLM will require a Federal drilling permit and EA. DNRC Trust Lands minerals will be intersected by the horizontal lateral. Trust Lands will do surface EA.

### Historical/Cultural/Paleontological

(possible concerns)

Proximity to known sites None identified.

Mitigation

   avoidance (topographic tolerance, location exception)

☒ other agency review (SHPO, **DNRC Trust Lands**, federal agencies) **BLM**

   Other: \_\_\_\_\_

Comments: On private grazing surface lands. There may be possible historical/cultural/paleontological sites that maybe impacted by this wellsite. We ask the operator to consult with the surface owner as to his desires to preserve these sites or not, if they are found during construction of the wellsite. The Board of Oil & Gas has no jurisdiction over private surface lands. BLM will require a Federal drilling permit and EA. DNRC Trust Lands minerals will be intersected by the horizontal lateral. Trust Lands will do surface EA.

### Social/Economic

(possible concerns)

   Substantial effect on tax base

   Create demand for new governmental services

   Population increase or relocation

Comments: No concerns.

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**Remarks or Special Concerns for this site**

A single lateral horizontal Bakken Formation well test to 20,153'MD/10,309'TVD. No concerns.

**Summary: Evaluation of Impacts and Cumulative effects**

No significant long term impacts expected, some short term impacts will occur.

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I conclude that the approval of the subject Notice of Intent to Drill (does/**does not**) constitute a major action of state government significantly affecting the quality of the human environment, and (does/**does not**) require the preparation of an environmental impact statement.

Prepared by (BOGC): \s\ Steven Sasaki  
(title:) Chief Field Inspector  
Date: June 24, 2012

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Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC website

(Name and Agency)  
Water wells in Richland County  
(subject discussed)  
June 24, 2012  
(date)

US Fish and Wildlife, Region 6 website  
(Name and Agency)  
ENDANGERED, THREATENED, PROPOSED AND CANDIDATE SPECIES  
MONTANA COUNTIES, Richland County  
(subject discussed)

June 24, 2012  
(date)

Montana Natural Heritage Program Website (FWP)  
(Name and Agency)  
Heritage State Rank= S1, S2, S3, T25N R57E  
(subject discussed)

June 24, 2012  
(date)

If location was inspected before permit approval:

Inspection date: \_\_\_\_\_

Inspector: \_\_\_\_\_

Others present during inspection: \_\_\_\_\_